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Financing of the United Nations Mission in the Sudan

Budget performance of the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011

Report of the Advisory Committee on Administration and Budgetary Questions

Appropriation for 2010/11[a]	$1,008,026,300
Expenditure for 2010/11	$998,776,400
Unencumbered balance for 2010/11	$9,249,900
Appropriation for 2011/12	$137,532,000
Projected expenditure 2011/12[b]	$137,247,156
Estimated unencumbered balance for 2011/12[a]	$284,844

[a] See General Assembly resolutions 64/283 and 65/257.
[b] Estimates as at 31 January 2012 (see annex).

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I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the budget performance of the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2010 to 30 June 2011 (A/66/608). The Committee has made recommendations and observations, where appropriate, in the paragraphs below.

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNMIS.

3. The mandate of UNMIS was established by the Security Council in its resolution 1590 (2005) and was further extended by the Council in a number of subsequent resolutions. The Council decided to extend until 9 July 2011 the mandate of UNMIS in its resolution 1978 (2011). In its resolution 1997 of 11 July 2011, the Council decided to withdraw UNMIS effective 11 July 2011, and called upon the Secretary-General to complete withdrawal of all uniformed and civilian UNMIS personnel, other than those required for the Mission's liquidation, by 31 August 2011.

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIS are listed at the end of the present report.

II. Budget performance for the period from 1 July 2010 to 30 June 2011

5. The General Assembly appropriated a total amount of $1,008,026,300 for the maintenance of the Mission for the period from 1 July 2010 to 30 June 2011, representing (a) $938,000,000 under the terms of its resolution 64/283, and (b) $70,026,300 for the support of the referendums under its resolution 65/257. In this connection, the Advisory Committee recalls that in his initial budget proposal for 2010/11 for UNMIS (A/64/632), the Secretary-General did not include provisions for support to the referendums in Southern Sudan and the Abyei area, as it was not possible at that time to accurately determine the resources that would be required (see A/65/571, para. 3). The additional financial requirements in respect of support for the referendums by the Mission were requested by the Secretary-General in his note, on financing arrangements (A/65/509), and a detailed breakdown of the referendums requirements is contained in annex V to the report of the Advisory Committee (A/65/571) (see para. 9 below).

6. Expenditures for the period 2010/11 totalled $998,776,400. The resulting unencumbered balance of $9,249,900, in gross terms, represents 99.1 per cent implementation rate of resources utilization. An analysis of variances is provided in section IV of the budget performance report for the period from 1 July 2010 to 30 June 2011 (A/66/608).

7. The underexpenditures are mainly attributable to:

(a) Military contingents ($18,063,000): owing to lower actual costs realized through reduced air charter costs, for replacement, rotation and repatriation, and

lower costs for rations as a result of lower unit prices and transportation costs, and availability of sufficient backup stock (see A/66/608, para. 27);

(b) Other supplies, services and equipment ($7,935,200): owing to lower-than-budgeted expenditures under the disarmament, demobilization and reintegration programme, as some of the disarmament, demobilization and reintegration projects were not implemented owing to the security situation in some locations. The lower requirements were partially offset by higher requirements for freight owing to shipments of containers and vehicles to the Mission from the United Nations Mission in the Central African Republic and Chad (MINURCAT) (see A/66/608, para. 42);

(c) Communications ($6,504,900): owing to lower-than-budgeted usage of Internet service, and a lower level of acquisition of communications equipment (see A/66/608, para. 39);

(d) General temporary assistance ($4,986,100): owing to the higher actual vacancy rates for international and national temporary staff and a decrease in the hazardous duty station allowance (see A/66/608, para. 31);

(e) Ground transportation ($2,766,700): primarily owing to lower-than-budgeted acquisitions of vehicles because of the receipt of 200 vehicles from the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and four armoured vehicles from MINURCAT, delays in planned repairs and maintenance and lower requirements for spare parts, which were partially offset by higher actual requirements for petrol, oil and lubricants (see A/66/608, para. 36).

8. The underexpenditures were partially offset by increased requirements under:

(a) International staff ($16,380,800): owing to higher actual common staff costs and a lower actual vacancy rate of 19.1 per cent, compared to the budgeted rate of 26 per cent, which were partially offset by a lower-than-budgeted hazardous duty station allowance (see A/66/608, para. 29);

(b) National staff ($2,948,800): owing to higher actual common staff costs, an increase in the salary scale and a lower actual vacancy rate of 8.8 per cent as compared to the budgeted rate of 15 per cent, which were partially offset by a lower-than-budgeted hazardous duty station allowance (see A/66/608, para. 30);

(c) Air transportation ($13,285,400): owing to higher-than-budgeted costs for the rental and operation of fixed-wing aircraft due to under-recovery of costs (see para. 11 below), and of rotary-wing aircraft because of two additional aircraft, which were offset in part by lower requirements for petrol, oil and lubricants due to lower actual flight hours (see A/66/608, para. 37);

(d) Official travel ($1,501,200): owing to unplanned trips in support of Integrated Support Services and transportation, and for coordination trips for the establishment of the United Nations Mission in South Sudan (see A/66/608, para. 34).

Additional appropriation and expenditures for support of referendums

9. The Advisory Committee requested the breakdown of the expenditures against the additional funding of $70,026,300 approved for support of the referendums. The Committee was informed that expenditures for activities funded under the additional appropriation were not tracked separately, because the additional funding related to

the core mandate of the Mission, in accordance with Security Council resolution 1919 (2010), in which the Mission was requested to be prepared to play a lead role in international efforts to provide assistance, as requested, to support preparations for the referendums in 2011. Furthermore, support for the referendums was explicit in the initial 2010/11 budget, including the results-based-budgeting frameworks presented therein. **The Advisory Committee is of the view that, since the additional requirements for support of the referendums were presented in detailed breakdown, the Secretary-General should have reported on their utilization.**

Reprioritization of resources

10. Upon enquiry, the Advisory Committee was provided with information in respect of the reprioritization of resources that was undertaken in the context of support of the referendums. Given its importance, the Committee was informed that funds that had been approved for other projects were reprioritized to ensure that all activities related to the referendums were completed. Such reprioritization included the use of existing stocks and materials, which had been intended for projects such as the United Nations House in Juba, to construct the referendums support bases. Furthermore, the Advisory Committee notes from the results-based-budgeting frameworks that a number of the planned activities during the 2010/11 period were not fully implemented, although 99.1 per cent of resources were utilized during the period. This may also be attributable to the reprioritization of activities and resources. The Advisory Committee comments on the issue of such reprioritization in its cross-cutting report (A/66/718).

Air transportation

11. With respect to the higher-than-budgeted costs for the rental and operation of fixed-wing aircraft due to under-recovery of the costs, the Advisory Committee was informed that the increased requirement was due to the unbudgeted provision of air services to other missions that had not been recovered at the end of the period for 2010/11. The Committee was informed, upon enquiry, that in support and under the operational control of the Transportation and Movements Integrated Control Centre, UNMIS budgeted one aircraft on a cost recovery basis, with costs to be shared by UNMIS (30 per cent) and UNAMID (70 per cent). However, with the closure of the 2010/11 accounting period, the costs recovery process was no longer ongoing and the corresponding reduced requirements under air transportation were reflected in the UNAMID performance report for the same period.

Facilities and infrastructure

12. The Advisory Committee notes an increase in the fuel supply of 22.4 million litres, compared with the planned 17.6 million litres, partly owing to increased fuel consumption by the 500 KVA generators that replaced the 160/250 KVA sets (see A/66/608). The Committee also notes that a strategy, aimed at enhancing fuel consumption efficiencies by installing lower-capacity generators in a synchronized load-sharing system, is presented in the 2012/13 budgets for a number of missions. The Advisory Committee comments on the issue in its cross-cutting report (A/66/718).

Outsourcing of security service

13. The Advisory Committee recalls that to improve efficiency, the Mission adopted its strategy of outsourcing security guard services (see A/64/660/Add.3, para. 44); however, the Committee notes from the performance report that the planned provision of more cost-effective security guard services through increased outsourcing to reliable local service providers throughout the Mission area did not take place owing to political uncertainties. **The Advisory Committee is of the view that budget proposals should be based on realistic assumptions.**

Naval transportation

14. With respect to naval operations, it is indicated in the performance report that the Mission carried out 7,582 boat patrol days (compared with 11,680 days planned), while 63,600 litres of fuel was provided for these operations (compared with 70,503 litres planned) (see A/66/608). The Advisory Committee notes an apparent disconnect between the actual implementation rate of 65 per cent of boat patrol days and the actual fuel consumption of 90 per cent. Although the Committee sought clarification on this issue, it was not provided with an adequate explanation. **The Advisory Committee requests that full justification for this apparent discrepancy be provided in the context of the next performance report of the Mission.**

III. Information on performance for the current period

15. The Advisory Committee further recalls that the main objective of UNMIS for the period from 11 July to 31 December 2011 was the logistical, administrative and security support to the withdrawal and administrative liquidation of the Mission by 31 December 2011, and that the withdrawal and liquidation plan and schedule were explained in the report of the Secretary-General on the revised budget for the Mission for 2011/12 (see A/66/519, paras. 8-13).

16. The Advisory Committee was informed that, as at 31 January 2012, a total of $6,704,721,000 had been assessed on Member States in respect of UNMIS since its inception. Payments received as at the same date amounted to $6,479,091,000, leaving an outstanding balance of $225,630,000. As at 21 February 2012, the cash position of the Mission was $83,600,000, including the three-month operation reserve of $1,104,000. The remaining cash balance of $82,496,000 is sufficient to allow for reimbursements to troop-contributing countries at the next payment, scheduled for March 2012.

17. The Advisory Committee was also informed that, as at 31 December 2011, an estimated amount of $646,000 was owed for troop-cost reimbursements and $22,898,000 for contingent-owned equipment. In respect of death and disability compensation, $934,000 had been paid for 35 claims since the inception of the Mission, and 3 claims were pending as at 31 January 2012. **The Committee expects that the outstanding claims will be settled as soon as possible.**

18. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2011 to 30 June 2012, with reasons for variances (see annex). Expenditures for the period as at 31 January 2012 amounted to $127,791,680. At the end of the current financial period, the estimated total expenditures would amount to $137,247,156 against the appropriation of $137,532,000, leaving a projected unencumbered balance of $284,844.

Quick-impact projects

19. The Advisory Committee notes from the budget performance report that the expenditure under quick-impact projects for 2010/11 amounted to $646,800, compared with the appropriation of $1,000,000, which was due to the security situation in some regions where projects were planned (see A/66/608, para. 43). Upon enquiry, the Committee was informed that of the 31 projects approved for 2010/11, 10 were completed during the period, 11 were ongoing at the end of the period, 1 was cancelled, 3 were not implemented with funds being returned, and 6 could not be implemented owing to the security situation on the ground. For the period 2011/12, the Committee notes from the information provided to it that the Mission incurred an expenditure of $3,858, while there is no provision for any projects for the period. The Committee was informed upon enquiry that the amount related to a basic school project for which invoices were received late. **Taking into consideration the situation on the ground, the Advisory Committee commends the Mission for the quick-impact projects it carried out.**

IV. Conclusion

20. The action to be taken by the General Assembly in connection with the financing of UNMIS for the period from 1 July 2010 to 30 June 2011 is indicated in section V of the budget performance report (A/66/608). **The Advisory Committee recommends that the unencumbered balance of $9,249,900, as well as other income and adjustments in the amount of $29,213,700, be credited to Member States.**

Documentation

- Budget performance of the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011 (A/66/608)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2010 to 30 June 2011 (A/66/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on cross-cutting issues related to peacekeeping operations (A/66/718)
- Report of the Advisory Committee on Administrative and Budgetary Questions: Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Mission in the Sudan (A/64/660/Add.3)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financing arrangements for the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011 (A/65/571)
- General Assembly resolutions 64/283 and 65/257 on the financing of the United Nations Mission in the Sudan
- Security Council resolutions 1590 (2005), 1919 (2010), 1978 (2011) and 1997 (2011)

Annex

Current and projected expenditures for the United Nations Mission in the Sudan for the period from 1 July 2011 to 30 June 2012

		1 July 2011 to 31 January 2012		*Projected 1 February to 30 June 2012*			
	Cost estimate	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*
Military and police personnel							
Military observers	2 813 200	2 155 189	658 011	—	2 155 189	658 011	23.4
Military contingents	42 590 300	35 035 624	7 554 676	7 564 676	42 600 300	(10 000)	(0.0)
United Nations police	3 954 100	3 742 691	211 409	—	3 742 691	211 409	5.3
Formed police	—	—	—	—	—	—	—
Subtotal	**49 357 600**	**40 933 504**	**8 424 096**	**7 564 676**	**48 498 180**	**859 420**	**1.7**
Civilian personnel							
International staff	26 490 900	27 655 377	(1 164 477)	—	27 655 377	(1 164 477)	(4.4)
National staff	18 378 800	18 764 663	(385 863)	—	18 764 663	(385 863)	(2.1)
United Nations Volunteers	1 858 100	1 872 982	(14 882)	—	1 872 982	(14 882)	(0.8)
General temporary assistance	534 600	959 820	(425 220)	—	959 820	(425 220)	(79.5)
Subtotal	**47 262 400**	**49 252 842**	**(1 990 442)**	**—**	**49 252 842**	**(1 990 442)**	**(4.2)**
Operational costs							
Government-provided personnel	122 800	34 828	87 972	—	34 828	87 972	71.6
Civilian electoral observers	—	—	—	—	—	—	—
Consultants	—	93 346	(93 346)	—	93 346	(93 346)	(8.0)
Official travel	1 165 500	1 320 797	(155 297)	—	1 320 797	(155 297)	—
Facilities and infrastructure	8 918 900	6 483 587	2 435 313	580 500	7 064 087	1 854 813	20.8
Ground transportation	1 671 900	2 485 713	(813 813)	—	2 485 713	(813 813)	(48.7)
Air transportation	15 562 600	16 295 078	(732 478)	—	16 295 078	(732 478)	(4.7)
Naval transportation	8 900	5 077	3 823	—	5 077	3 823	43.0
Communications	1 573 000	1 766 266	(193 266)	505 000	2 271 266	(698 266)	(44.4)

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*			
	Cost estimate	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*
Information technology	736 200	859 482	(123 282)	—	859 482	(123 282)	(16.7)
Medical	958 400	284 206	674 194	415 000	699 206	259 194	27.0
Special equipment	568 100	570 300	(2 200)	390 300	960 600	(392 500)	(69.1)
Other supplies, services and equipment	9 625 700	7 402 795	2 222 905	—	7 402 795	2 222 905	23.1
Quick-impact projects	—	3 858	(3 858)	—	3 858	(3 858)	—
Subtotal	**40 912 000**	**37 605 334**	**3 306 666**	**1 890 800**	**39 496 134**	**1 415 866**	**3.5**
Gross requirements	**137 532 000**	**127 791 680**	**9 740 320**	**9 455 476**	**137 247 156**	**284 844**	**0.2**
Staff assessment income	3 477 700	—	3 477 700	—	—	3 477 700	100.0
Net requirements	**134 054 300**	**127 791 680**	**6 262 620**	**9 455 476**	**137 247 156**	**(3 192 856)**	**(2.4)**
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—
Total requirements	**137 532 000**	**127 791 680**	**9 740 320**	**9 455 476**	**137 247 156**	**284 844**	**0.2**